for safe, reliable, affordable service

Spring 2000

# Don't Be A Moving Target!

Are you going to be making an in-state move this year? If so, you need to know about some major changes in the way household goods moving services are offered. The UTC has adopted sweeping changes in the regulation of movers, designed to increase consumer choice and encourage price competition, while improving esssential consumer protections. These changes can save you money, but only if you know your rights and responsibilities as a moving customer.

For years, the rates charged by in-state movers were set by the UTC — every mover charged the same rate. The only competition was on quality of service. Many people turned to unlicensed movers who offered low prices, but who operated without following the UTC's insurance, rate, and consumer rules. When new moving companies tried to get a license to operate legally, old laws made it nearly impossible.

The old system was in drastic need of change. The UTC responded with a comprehensive review that brought moving company regulations in line with consumer needs today. Under the new rules significant discounts are allowed which can save you money. The UTC has also made it easier for new movers to get into the business, which will give you more choices over time. There also are new protections against low-ball estimates, and you now have the ability to negotiate for a binding estimate.

Moving is stressful enough without having unexpected costs or delays. By learning the new rules of the moving business, you can save yourself time, money, and hassles.

Turn to page 4 for some handy tips on your rights as a moving company customer, as well as a number of places you can turn for more information.

# Consumers win as UTC imposes record penalty

The UTC has imposed a record \$1 million penalty on a telecommunications company for overcharging customers who made operator-assisted telephone calls from pay-phones in Washington. The UTC fined USLD Communications, Inc. for breaking service rules and, in addition, ordered the company to refund about \$700,000 to an estimated 113,000 pay-phone callers.

The UTC began investigating USLD late last year after customers complained of high charges appearing on their phone or credit-card bills after using a pay-phone served by USLD. The company provides long-distance telephone and operator services to 8,543 pay-phones in the state.

After further investigation, the UTC discovered the company's practice was to tell customers a call would cost \$2 or \$3 instead of the \$10 or \$15 that eventually appeared on their phone bill.

"We have achieved justice for both consumers and the company in this particular case," said Marilyn Showalter, chairwoman of the three-member commission. "Equally important, we are sending a strong message to the broader community. Fair and effective competition requires vigorous enforcement of our rules.

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# C O M M I S S I O N E R S C O R N E R

# By Commissioner Dick Hemstad

Consumer protection is at the core of the UTC's mission. One of the ways we protect consumers recently came into sharp focus when we levied a



record penalty against the USLD long-distance company. The details of the case are covered elsewhere in this newsletter, but I want to focus on how such a successful enforcement effort comes about.

The first step often comes from consumers themselves who contact the UTC with complaints. We have a skilled team of consumer specialists who help mediate problems between consumers and utilities. Sometimes a pattern of complaints emerges, either with a particular company or with a particular industry practice. When that happens, our staff begins a more detailed investigation. We work closely with the Attorney General's office to develop a thorough record of the types of complaints and how consumers have been harmed.

With the results of the investigation in hand, we attempt to resolve the problem with the company. Sometimes we reach an agreement for a change in practice and consumer relief. If not, we pursue a complaint against the company. If the facts bear out the problem, we can order

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# Recycling Credit Saves You Money

The cat food container you just washed and flattened and the recycled paper you bought are making a difference in your monthly garbage bill. Stronger markets for recycled materials are lowering bills for many customers of regulated garbage companies.

Prices for recycled paper, glass and metals have rebounded after period of sluggish demand. This is good news. The more money your garbage company gets for your recycled materials, the less you have to pay for collection.

The UTC requires its regulated garbage and recycling companies to track the proceeds from their sales of recycled materials collected from residential areas. These amounts are taken into consideration when a company's rates are adjusted. Many companies include a recycling credit on their residential customer bills to make it even easier for customers to track the changes. This year, the credit may cover over half the cost of collecting recycled materials. Rates and credits vary among companies, but generally can reduce the total monthly garbage and recycling bill for a one-can per week customer by 10 percent or more.

Customers often ask what happens to recycled materials. Some believe recycling pays for itself. But that's not the case for residential recycling. The cost of collecting from your curb, transporting, processing and selling recycled materials can run between \$4 to \$5 a month per residential customer.

As more people demand goods made from recycled products and as manufacturers find more uses for recycled materials, prices for recycled materials may increase high enough to cover the cost of collection and processing. But of course, even if it never does, you still benefit by reducing the flow of garbage into a landfill or disposal facility. In the long run, this saves everyone money.



# CONSUMER NEWS IN

## **UTC Rate Reform Upheld**

A Thurston County Superior Court has upheld a major telephone rate reform policy adopted by the UTC. The policy changes the way that telephone companies pay each other to complete telephone calls. The reform adopted by the UTC is designed to promote competition and protect universal telephone service. A number of telephone companies had challenged the rule, claiming it was beyond the UTC's authority to adopt. For more information contact: Tim Sweeney (360) 664-1118, e-mail: tsweeney@wutc.wa.gov.

## Line Extension rules under consideration

The UTC has begun a formal rulemaking regarding the process for extending telephone service to customers in areas where lines are not currently in place. Currently, line extension policies and costs vary from company to company. The UTC is considering adopting a standard rule for all local telephone companies, including how much of the cost of line extensions will be born by the company or the customer. For more information, contact: Bob Shirley (360) 664-1292, e-mail: bshirley@wutc.wa.gov.

# **Electric Reliability Rulemaking**

How reliable should your electricity service be? Of course, we want to be able to turn our lights, heat and appliances on whenever we need them. But ensuring reliability even under the most severe winter conditions can require changes to the system that not only raise our rates but have other consequences as well. After participating in two legislatively-mandated studies on the state's electricity system and its reliability, UTC staff is now exploring alternatives for ensuring electricity service reliability.

While the early process of staff's work is on technical issues, public input will likely be needed in the future. For more information on this process, you can visit our website and check out the rulemaking page dealing with electricity reliability. While at that web page, you can e-mail the staff and ask to be put on the mailing list. Or you can write us and ask to be put on the mailing list for Docket No. UE-991168. Contact: Mark Anderson (360) 664-1121, e-mail manderson@wutc.wa.gov.

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## **USLD** Continued from page 1

We will protect consumers and reassure lawabiding companies by swiftly punishing the bottom lines of unscrupulous companies who violate the law."

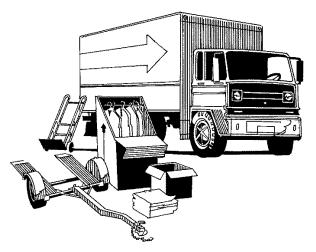
As part of the enforcement action, the UTC is requiring the company to conform with the state's consumer disclosure practices. This includes allowing pay-phone users easy access to a rate quote for a phone call before incurring a charge. The company also must consistently identify its name in all contacts with customers.

"Customers still need to be wary when using a pay-phone," urged Commissioner Bill Gillis. 
"The dark side of telephone competition is that a pay phone company can charge whatever they want, as long as the carrier lists the rates with the state and provides accurate information to its customers."

The UTC will launch a consumer-education program targeting pay-phone users. The estimated \$15,000 cost of the program will be underwritten by USLD. The plan is to encourage customers to carry essential information with them when it becomes necessary to use a pay-phone.

"When it comes to using a pay-phone, a little preparation goes a long way," said Commissioner Dick Hemstad. "Knowing how to get rate information and to dial around to a preferred telephone company are skills that can help you avoid an unexpectedly high bill later."

Eligible customers should receive refunds or credits directly from USLD. Those who have not received their refund by April 30, may call the UTC's Consumer Affairs division at 1-800-562-6150.



# Tips for Stress-Free Moving

Keep the
stress level
down and
ensure your
personal
possessions
are delivered
safely, on
time and at a
fair price.

Summer is the busiest moving season of the year which can mean more stress for families worried about relocating their household. Fortunately, there are some easy guidelines you can follow to keep the stress level down and ensure your personal possessions are delivered safely, on time and at a fair price.

# Use a company that has a permit issued by the WUTC.

Moving companies with permits are required to have personal liability and property-damage insurance. Call the UTC to verify that the moving company you choose is licensed (1-800-562-6150). Movers must also comply with state and federal driver and vehicle-safety standards. Make sure to read all documents carefully, including the company's insurance coverage limits. The UTC regulates in-state moves only.

## Do your homework.

Check with the Better Business Bureau and the commission and the UTC to see if the company you select has a history of customer complaints. Ask friends, family members and neighbors who have recently moved if they would recommend the mover they used. Ask the mover for references, and be sure to check those references.

### Get an estimate.

Your mover must provide you with a written estimate. Some movers provide binding esti-

mates, some do not. If you receive a binding estimate you cannot be required to pay more than the amount shown in that estimate. Most movers however prefer nonbinding estimates. While rates for in-state moves are set by the state, your mover is allowed to price his services as low as 35 percent below the state rate or 15 percent above. And remember, the estimate is not your final bill unless you negotiate a binding estimate. If you request the mover to provide more or different services than those included on the original estimate, the mover must supply you with a supplemental estimate. You can ensure your estimate is as accurate as possible by being realistic about what items, if any, you plan to pack yourself. Accurately describe any problems the mover may encounter at the pickup point, i.e. large pieces of furniture that need to be moved with a hoist or disassembled before moving. Accurately describe conditions at the delivery point such as a narrow drive that would hamper unloading or ordinances that restrict the hours of the day during which delivery may be done.

## Understand your insurance needs.

Check with your current insurance provider about coverage and recommendations for mover's insurance. Your mover should explain the range of coverage. Take your time in deciding on your options.

## Know who the mover is.

Some movers perform the transportation themselves while others act as agents for other movers who do the actual hauling. In other instances, the transportation is arranged by brokers. Make sure you have the complete and correct name, business address, and telephone number of the mover who is to transport your goods.

# Be there for packing and delivery.

Try to be there when your goods are packed and loaded, then unloaded and unpacked. If you can't, have someone you trust represent you. Review the description sheets of all pieces loaded into the truck. Be sure you agree with the company's comments about the condition of the items being moved. You will be asked to sign certain documents. Take your time with them and ask questions if you do not understand something.

It's important that you inspect your shipment for any damage before signing the delivery papers or statements concerning the condition of your goods. Record any damages on the delivery document or inventory form. If you choose to file a claim, it must be filed with the mover within nine months from the date of delivery.

## Be prepared to pay on delivery.

Most movers want payment before any of your belongings are unloaded. The mover must allow you to pay in the same manner as you paid your deposit. Your final bill will likely vary from the estimate. However, under no circumstances should the final bill be more than 15 percent more than the original and supplemental estimates for moves over 35 miles or 25 percent more than the original and supplemental estimates for moves under 35 miles. This important consumer protection applies only to moves within the state of Washington and is enforced by the UTC.

# Read More on Moving

Looking for some additional tips on moving? Here are some resources that you'll want to check out.

First, check out a special section on moving in the April 16, 2000 issue of the **Seattle Times.** You'll find comprehensive information on the options you have and the questions you should ask. You can also find the articles online at <a href="https://www.seattletimes.com">www.seattletimes.com</a> or link from the UTC website.

The United States Postal Service publishes a "Mover's Guide" that contains an official change-of-address form, as well as tips on how to make sure your mail follows you to your new address. Get one free at your local Post Office. The USPS also runs a website with moving tips — check it out at <a href="https://www.usps.gov/moversnet">www.usps.gov/moversnet</a>.

The Century 21 Guide to a Stress-Free Move is a book filled with inventory sheets and moving checklists. It also has detailed information on how to estimate costs and evaluate whether to hire a mover or do-it-vourself.

Want to compare moving prices quickly and efficiently? The MoverQuotes website gathers estimates from several moving companies based on the information you input. A custom quote wizard can be used to get a more detailed estimate. While you should still ask the mover you want for a binding estimate, this site will give you more knowledge to determine a fair price. Find the site at <a href="https://www.moversquotes.com">www.moversquotes.com</a>.

For a
complete
copy of our
Smart
Consumer
Guide to
Household
Goods Moving
visit our
website

wutc.wa.gov

or call tollfree 1-800-562-6150

# FREQUENTLY ASKED QUESTIONS



# **How To Change Your Long-Distance Company**

The last 10 years have brought consumers many new choices for telephone service. First you could choose a different carrier for your state-to-state long-distance calls. Now you can choose your carrier for "local" long-distance calls as well — and they can be different carriers. One of the biggest categories of complaints we receive at the UTC is from customers who have tried to switch carriers, but who ended up with someone they didn't want. Here are some of the questions we receive.

# What should I do before I switch carriers?

First, get any offers in writing. Often great promotional rates have a catch that lowers your savings. If you have an offer in writing, it's easier to find any problems and get the deal you were promised.

# When I want to switch carriers who do I have to contact?

To be safe, you need to contact all three companies involved – the carrier you are dropping, the carrier you are changing to, and your local company (which routes your calls to your preferred carrier) to make sure the switch has been made.

If you don't notify the company that you are dropping, you might still be listed as a customer and charged minimum monthly charges. Even if you are solicited to change carriers over the phone, it's better to confirm that the switch you want has been made than rely on the companies to do it for you.

# How can I verify that I have the carrier I want?

You can call the "PIC" verification number to check. (PIC stands for Primary Interexchange Carrier) The number is 1-your area code-700-4141. You'll hear a voice that announces the carrier that is assigned to your phone line. Be sure to call from the phone line you want to check.

# How can I prevent my long distance carrier from being changed?

You can call your local telephone company and request an account freeze. This prohibits your local company from switching your carrier without your explicit permission. While companies do not guarantee freezes, it works almost all of the time. In all cases if your account is changed without your permission, you are entitled to have it changed back without cost and you won't owe anything to the company that made the improper switch.



# FROM THE UTC LIBRARY

#### **Small Business Phone Resources**

The telephone is an essential business tool. As choices have multiplied over the last several years, it's more important than ever for small business owners to understand how their choices can enhance their business and save them money. A number of excellent recent publications have focused on the specific needs of small business owners and telecommuters.

"The Choice Is Yours" — This article by Boyd Peterson was published in the Fall 1998 Buyers Guide supplement to Forbes magazine. Peterson explains an array of 'enhanced' telephone services that are tailored to the needs of small businesses and home offices. The availability of these optional services has mushroomed since the passage of the Telecommunications Act of 1996. Some of the features available for additional charges include screening features such as call waiting and caller identification, speed dialing, conference calling, voicemail, voice messaging and single number services. Boyd offers advice on how to decide which of the services best suit the needs of your small business.

"Telecommuting: Hidden Costs of Home Work" — Here's a thoughtful article to read when negotiating a job that includes telecommuting. It appeared in the May 1999 issue of Home Office Computing and covers a items to consider in advance, such as increased utility usage, telecommunications expenses, equipment costs, and security issues.

For those on the internet, the Federal Communications Commission (FCC) provides a number of helpful consumer factsheets and brochures at its FCC Consumer Information Bureau website, For those who prefer to call for the information, there are two toll-free numbers: voice 1-888-225-5322 and tty 1-888-835-5322. Topics include "Telephone Bill Charges Explained" and "Unsolicited Faxes and Telephone Calls."

And, of course, you can visit our own WUTC consumer website, where you'll find links to many helpful sites, including on-line price comparisons for long-distance service. You can find us at www.wutc.wa.gov/consumer.

Mary Lu White is UTC Librarian. If you have questions or suggestions for future topics, you can contact her at 360-664-1199 or by e-mail at mwhite@wutc.wa.gov.

# Commissioner's Corner Continued from page 2

changes to be made and assess penalties if appropriate. It takes enormous time, effort and skill to pursue a comprehensive investigation.

Besides protecting individual consumers, our enforcement efforts have another aim. Ultimately, the best consumer protection comes from informed consumers exercising their choice in a fair and robust marketplace. That market will not develop fully if some participants gain market advantage through shady practices. Nor will it happen if customers do not make an effort to bring these practices to light.

The USLD decision sends a strong message that the UTC is committed to consumer protection and fair competition. We need your help to make good on that commitment. By reporting the consumer abuses you encounter, by supporting fair business practices, and by being an informed consumer, you help to create a market that has greater choice and better service.

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To request availability of UTC publications in alternate formats, call (360) 664-1133.

# In This Issue

Learn how to shop for a moving company, get details on a major victory for pay-phone customers, find out how recycling credits save you money, and get the facts on how to change your long-distance company.

# Free consumer publications for you. . .

## Free Consumer Brochures

Guide to UTC Consumer Services
Guide to Utility Services
Guide to Garbage and Recycling Service
Guide to Household Movers

## Free Fact Sheets

Choosing Local Long Distance Service
900 Number/ Pay Per Call Service
Slamming (Unauthorized Service Changes)
Cramming (Unauthorized Billing)
Tips for Using Public Payphones
Telephone Solicitation: Protecting your
Privacy

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